

Decision No: 69173
Docket No: W-01303A-05-0280
WS-01303A-02-0867
WS-01303A-02-0869
WS-01303A-02-0870

ORIGINAL



0000065322

January 11, 2007

Compliance Item:

Decision No. 69173 dated December 5, 2006 in WS-01303A-05-0280 et al states, "IT IS FURTHER ORDERED that Arizona-American shall notify its customers of the arsenic cost recovery surcharge tariff approved herein within 30 days of the effective date of this Decision."

Response:

Attached is the self-mailer mailed December 14, 2006 to each customer in the Sun City West Water District along with the postage statement confirming the entire mailing.

Arizona Corporation Commission
DOCKETED

JAN 12 2007

DOCKETED BY	NR
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AZ CORP COMMISSION
DOCUMENT CONTROL

2007 JAN 12 P 4:46

RECEIVED

**NOTICE OF A WATER RATE INCREASE TO SUN CITY WEST WATER
CUSTOMERS OF ARIZONA AMERICAN WATER COMPANY (AAWC):**

YOU WERE ADVISED IN A PREVIOUS NOTICE THAT AAWC HAD FILED A REQUEST WITH THE ARIZONA CORPORATION COMMISSION (ACC) FOR IMPLEMENTATION OF AN ARSENIC COST RECOVERY SURCHARGE REFLECTING THE COST OF REQUIRED WATER TREATMENT FACILITIES TO MEET NEW FEDERAL STANDARDS. THE ACC AUTHORIZED THIS SURCHARGE TO BECOME EFFECTIVE WITH YOUR DECEMBER 2006 BILLING. IT IS ESTIMATED THAT THIS SURCHARGE WILL INCREASE THE AVERAGE RESIDENTIAL CUSTOMER BILL BY \$8.31 A MONTH (BASED ON USAGE OF JUST OVER 10,000 GALLONS PER MONTH).

YOUR WATER BILL WILL REFLECT A NEW BASE SURCHARGE OF AT LEAST \$3.70 PER METER DEPENDING ON THE SIZE OF YOUR WATER METER AND A NEW WATER VOLUME FEE OF \$0.4592 FOR EVERY 1,0000 GALLONS.

THE COMPANY ANTICIPATES THE ARSENIC COST RECOVERY SURCHARGE WILL END AT THE CONCLUSION OF THE NEXT RATE CASE. THE NEXT RATE CASE WILL AGAIN EXAMINE THE REASONABLENESS OF COSTS FOR NEW WATER TREATMENT FACILITIES IN DETERMINING NEW PERMANENT WATER RATES. THE COMPANY IS REQUIRED TO FILE A NEW RATE CASE BY MAY 31, 2008.



AW-AZ-805

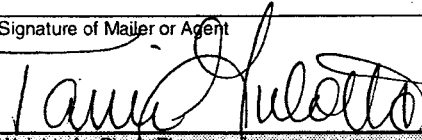
United States Postal Service
Postage Statement — First-Class Mail & Priority Mail

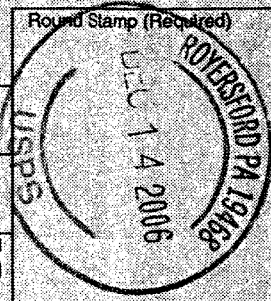
Use this form for either First-Class Mail or Priority Mail.
 They may not be combined.

MAILER	Permit Holder's Name and Address and Email Address, If Any Taylor Direct 751 Pike Springs Road Phoenixville PA 19460	Telephone (610)-933-7400 Extension	Name and Address of Mailing Agent (If other than permit holder) Dir Impact - Sun City	Telephone () - Extension	Name and Address of Individual or Organization for Which Mailing is Prepared (If other than permit holder) Arizona American Water 15626 N. Del Webb Blvd. Sun City AZ 85351
	CAPS Cust Ref No. _____ Dun & Bradstreet No. _____		Dun & Bradstreet No. _____		Dun & Bradstreet No. _____
MAILING	Post Office of Mailing Royersford, PA 19468	Processing Category <input checked="" type="checkbox"/> Letters <input type="checkbox"/> Flats <input type="checkbox"/> Automation Flats (DMM 301.3) <input type="checkbox"/> Parcels	Mailing Date 12/14/2006	Fed. Agency Cost Code	Statement Seq. No. DIRECT
	Type of Postage <input checked="" type="checkbox"/> Permit Imprint <input type="checkbox"/> Precanceled Stamps <input type="checkbox"/> Metered		Weight of a Single Piece 0.0094 pounds	Total Pieces 15,383	No. & Type of Containers 1' MM Trays 5 2' MM Trays 15 Total Trays 20 Flat Trays Sacks Pallets
	Permit # 539	For Mail Enclosed Within Another Class <input type="checkbox"/> Periodicals <input type="checkbox"/> Standard Mail <input type="checkbox"/> Bound Printed Matter <input type="checkbox"/> Library Mail <input type="checkbox"/> Media Mail <input type="checkbox"/> Parcel Post	Total Weight 144.6002		
	For Automation Rate Pieces, Enter Date of Address Matching and Coding (DMM 708.3.3) 12/12/2006	For Automation Carrier Route Rate Pieces, Enter Date of Address Matching and Coding (DMM 708.3.3) 12/12/2006			

POSTAGE	Parts Completed (Select all that apply) <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> S
	Total Postage (Add Parts Totals) 4,579.86
	Rate at Which Postage Affixed (Check one) (DMM 234, 334, 434) <input type="checkbox"/> Correct <input type="checkbox"/> Lowest <input type="checkbox"/> Neither pcs. x \$ = Postage Affixed
	Net Postage Due (Subtract postage affixed from total postage)
	For USPS Use Only: Additional Postage Payment (State reason)
	Total Adjusted Postage Affixed
	Total Adjusted Postage Permit Imprint

CERTIFICATION
 The mailer's signature certifies acceptance of liability for and agreement to pay any revenue deficiencies assessed on this mailing, subject to appeal. If an agent signs this form, the agent certifies that he or she is authorized to sign on behalf of the mailer, and that the mailer is bound by the certification and agrees to pay any deficiencies. In addition, agents may be liable for any deficiencies resulting from matters within their responsibility, knowledge, or control.
 The mailer hereby certifies that all information furnished on this form is accurate, truthful, and complete; that the mail and the supporting documentation comply with all postal standards and that the mailing qualifies for the rates and fees claimed; and that the mailing does not contain any matter prohibited by law or postal regulation.
 I understand that anyone who furnishes false or misleading information on this form or who omits information requested on this form may be subject to criminal and/or civil penalties, including fines and imprisonment.
 Privacy Notice: For information regarding our Privacy Policy visit www.usps.com.

USPS USE ONLY	Signature of Mailer or Agent 	Printed Name of Mailer or Agent Signing Form	Telephone Extension
	Weight of a Single Piece _____ pound	Are postage figures at left adjusted from mailer's entries? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" state reason:	
	Total Pieces _____ Total Weight _____		
	Total Postage _____		
	Check One <input type="checkbox"/> Presort Verification Not Scheduled <input type="checkbox"/> Presort Verification Performed as Scheduled	Date Mailer Notified	Contact
I CERTIFY that this mailing has been inspected concerning: (1) eligibility for postage rates claimed; (2) proper preparation (and presort where required); (3) proper completion of postage statement; and (4) payment of annual fee (if required).			
Verifying Employee's Signature	Print Verifying Employee's Name	Time	AM PM



Part A — First-Class Mail**Automation Rates — Letters**

Rate Category	Rate	Number of Pieces		Total	
A1 Carrier Route	0.290	x		= \$	
A2 5-Digit	0.293	x	13,059	= \$	3,826.2870
A3 3-Digit	0.308	x	565	= \$	174.0200
A4 AADC	0.317	x	3	= \$	0.9510
A5 Mixed AADC	0.326	x	1,660	= \$	541.1600
					Part A Total
					\$ 4,542.4180

Part C — First-Class Mail**Nonautomation Rates — Letters, Flats and Parcels**

Rate Category	Rate	Number of Pieces		Total	
C1 Presorted	0.371	x		= \$	
C2 Single-Piece	0.390	x	96	= \$	37.4400
<i>Nonmachinable Surcharge (For pieces 1 oz. or less; see DMM 233.4.3)</i>					
C3 Presorted	0.058	x		= \$	
C4 Single-Piece	0.130	x		= \$	
<i>From Standard Mail (DMM 243.3.5)</i>					
C5 Single-Piece		x		= \$	
<i>Nonmachinable Surcharge (For pieces 1 oz. or less; see DMM 233.4.3)</i>					
C6 Single-Piece	0.130	x		= \$	
<i>Prepaid Returns (Mailers must be pre-approved to use this category.)</i>					
C7 Single-Piece 1 oz. or less	0.390	x		= \$	
C8 Single-Piece over 1 oz. up to 2 oz.	0.630	x		= \$	
					Part C Total
					\$ 37.4400